

**THE COUNTY BULLETIN
and Uniform Compliance Guidelines
ISSUED BY THE STATE BOARD OF ACCOUNTS**

Volume 313, Page 1

June 1997

SPECIAL EDITION

NEW LAWS AFFECTING VARIOUS COUNTY OFFICES

The following is a digest of some of the laws passed by the 1997 Regular session of the General Assembly affecting various offices in county government. Some of the laws do not pertain directly to a particular county office, but are included in this digest for ready reference to the covered subject matter.

The digest is not intended as an expression of legal interpretations, nor is the digest intended to be all inclusive. References in the digest will be to the Indiana Code in the following form [Amends IC 33-17-10-5] which means [Amends Indiana Code, Title 33, Article 17, Chapter 10, Section 5]. Please note the effective date on each law.

PL 2 - SENATE ENROLLED ACT #7 - EFFECTIVE VARIOUS DATES - TAX RATES, PETITIONS, BUDGETS, CREDIT CARDS

Amends IC 6-1.1-20-3.2 concerning the petition and remonstrance process to provide filing of petitions in compliance, not earlier than thirty (30) days or later than sixty (60) days after publication in accordance with IC 5-3-1. Also provides a petition or remonstrance described must verify compliance before the petition or remonstrance is filed with county auditor. Requires instructions to be provided. Requires county auditors to certify the date of issuance on each petition or remonstrance form.

Amend Item 6 to provide withdrawal of a petition carries the same consequences as a defeated petition. Also amends Item 7 to provide after the process, a political subdivision is not required to follow any other remonstrance or objection procedures under any other law related to bonds or leases. However, compliance is still required with IC 6-1.1-18.5-8 or IC 6-1.1-19-8.

Amends IC 36-1-8-11(c) concerning payments to political subdivisions for any purpose.

PL 6 - HOUSE ENROLLED ACT #1783 - EFFECTIVE VARIOUS DATES - PROPERTY TAXATION

Amends numerous sections of Indiana Code - Establishes a property tax study committee. Makes numerous changes to property assessment laws.

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PL 10 - HOUSE ENROLLED ACT #1542 - EFFECTIVE VARIOUS DATES - STATE BOARD OF ACCOUNTS CALLED MEETINGS. OPTICAL IMAGING. STATE GRANTS. TEMPORARY LOANS.

Amends IC 5-11-14-1 to provide that each official attending a conference called under this section be allowed for each mile necessarily traveled going to and returning from the conference by the most expeditious route, a sum for mileage at a rate determine by the county fiscal body.

Amends IC 5-15-6-3 as amended by Senate Enrolled Act 10, Public Law 47-1997 to provide "Original records" includes the optical image of a check when: (1) the check is recorded, copied, or reproduced by an optical imaging process described in IC 5-15-6-3(e); (2) the drawer of the check receives an optical image of the check after the check is processed for payment.

IC 5-15-6-3(f) now provides original records may be disposed of only with the approval of the commission according to guidelines established by the commission. However, the guidelines established by the commission concerning the disposal of financial records must be approved by the State Board of Accounts before the guidelines become effective.

Amends IC 36-1-8-4 to add item (b) if the fiscal body of a political subdivision determines that an emergency exists that requires an extension of the prescribed period of a transfer under this section, the prescribed period may be extended for not more than six (6) months beyond the budget year of the year in which the transfer occurs if the fiscal body does the following:

- (1) Passes an ordinance or a resolution that contains the following:
 - (A) A statement that the fiscal body has determined that an emergency exists.
 - (B) A brief description of the grounds for the emergency.
 - (C) The date the loan will be repaid that is not more than six (6) months beyond the budget year in which the transfer occurs.
- (2) Immediately forwards the ordinance or resolution to the State Board of Accounts and the State Board of Tax Commissioners.

Adds IC 36-1-8-12 to provide (a) if a political subdivision received state grant money requiring local matching money, the political subdivision shall create a special fund and deposit the grant money and matching money into the special fund. The money in the fund may be used only for the purposes for the grant.

- (b) if a political subdivision completes the project for which the state grant money was provided and money remains in the fund:
 - (1) the political subdivision shall transfer the state's share of the remaining money to the Treasurer of State for deposit in the fund from which the grant was made; and
 - (2) the political subdivision's pro rata share of the remaining money reverts to the political subdivision's general fund.

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**PL 10 - HOUSE ENROLLED ACT #1542 - EFFECTIVE VARIOUS DATES - STATE BOARD OF ACCOUNTS CALLED MEETINGS. OPTICAL IMAGING. STATE GRANTS. TEMPORARY LOANS.
(Continued)**

Adds Section 38 the Local Government Finance Study Commission established by SEA 194-1997 to meet on the call of the co-chairs.

PL 11 - HOUSE ENROLLED ACT #1275 - EFFECTIVE JULY 1, 1997 - PRECINCT ELECTION OFFICERS

Amends IC 3-6-6-7 to add that a person is not eligible to serve as an inspector if the person is the chairman or treasurer of the committee of a candidate whose name appears on the ballot.

PL 19 - HOUSE ENROLLED ACT #1945 - EFFECTIVE MAY 13, 1997 and JULY 1, 1997 - PUBLIC RECORDS - ENHANCED ACCESSED. ELECTRONIC DIGITAL SIGNATURE ACT.

Adds IC 5-14-3-3.6 providing a public agency may provide enhanced access to public records maintained by the public agencies including through the computer gateway administered by the Intellenet Commission established under IC 5-21-2.

Amends IC 5-14-3-9 concerning denials of disclosure by public agencies or requests made by telephone and facsimile.

Adds IC 5-21-6 to provide for the Enhanced Data Access Review Committee.

Adds IC 5-22 concerning the Electronic Digital Signature Act.

PL 21 - SENATE ENROLLED ACT #178 - EFFECTIVE JULY 1, 1997 - SURPLUS COMPUTER HARDWARE

Adds IC 4-13.4-2-12.6 concerning surplus computer hardware that is not usable by state agencies. Item (d) provides surplus computer hardware available for sale must be offered first to an educational entity. Notice of the sale must be given to the corporation for educational technology and to each school corporation through publication in a publication of the Department of Education or other appropriate association or department. Item (e) sealed bids shall be delivered by educational entities to the Office of the Commissioner before the date of the sale to educational entities. Surplus personal property shall be sold to the highest responsible bidder as determined by the Commissioner. The Department shall deliver possession of the surplus property to the successful bidder after the bidder submits an executed purchase order to the department. Item (f) if the surplus computer hardware: (1) is not sold to an educational entity under this section; and (2) had an original purchase price of more than two thousand five hundred dollars (\$2,500); the property shall be offered for sale to political subdivisions as described in section 12.5 of this chapter.

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**PL 21 - SENATE ENROLLED ACT #178 - EFFECTIVE JULY 1, 1997 - SURPLUS COMPUTER
HARDWARE (Continued)**

Adds IC 4-13.4-2-12.7 concerning donation of surplus computer hardware to an educational entity or a school corporation if the equipment is not sold.

PL 28 - HOUSE ENROLLED ACT #1784 - EFFECTIVE JULY 1, 1998 - GROSS INCOME TAX

Amends IC 6-2.1-5 - Requires electronic funds transfer of the tax to the Department of Revenue if the average quarterly tax liability exceeds \$10,000.

**PL 38 - HOUSE ENROLLED ACT #1370 - EFFECTIVE VARIOUS DATES - PUBLIC
NOTICES**

IC 5-3-1-0.4 is amended effective 5-13-97. This amendment changes from second class mail to periodicals class when accepted by the U. S. Postal Service as mailable matter.

IC 5-3-1-0.6 is amended effective 5-13-97 to provide that a newspaper or qualified publication is published at the place where the newspaper or qualified publication has its original entry for mail privileges.

IC 5-3-1-0.7 is amended effective 5-13-97 to provide that a qualified publication is one which has been accepted by the U.S. Postal Service as a mailable matter of standard mail rather than second or third class.

IC 5-3-1-4 is amended effective 7-1-97 to remove the requirement that the county commissioners designate a newspaper or qualified publication at their first meeting in January.

**PL 46 - SENATE ENROLLED ACT #9 - EFFECTIVE MAY 6, 1997 AND JULY 1, 1997. PUBLIC
DEPOSITORIES AND INVESTMENTS**

Amends IC 5-13-7 and IC 5-13-8-1 to remove designation requirements for local boards of finance.

Amends IC 5-13-8-1 to provide a political subdivision may deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds. The State Board of Finance shall make available information concerning financial institutions eligible to receive state funds as may be requested by a local board of finance. A local board of finance may rely on certificates described in IC 5-13-9.5-1(d).

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PL 46 - SENATE ENROLLED ACT #9 - EFFECTIVE MAY 6, 1997 AND JULY 1, 1997. PUBLIC DEPOSITORIES AND INVESTMENTS (Continued)

Also amends IC 5-13-8-6 concerning expiration of designations.

Also amends IC 5-13-8-7(c) to provide not later than thirty (30) days after a local board of finance revokes the commission of a depository, the local board of finance shall give written notice of the action to the Board of Depositories.

Repeals IC 5-13-8-8 concerning local boards of finance filing lists of designated depositories with the "State Board for Depositories".

Amends IC 5-13-8-13 concerning designation of depositories to the State Board of Finance.

Amends IC 5-13-8-9; IC 5-13-9-3; and IC 5-13-9-5 and refers to deposits instead of investments.

Amends IC 5-13-9.5-1 to add: Exempt as provided in IC 5-13-8-1 and IC 5-13-8-7, designation of a depository to receive public funds of the state qualifies a depository to receive public funds of a political subdivision.

PL 47 - SENATE ENROLLED ACT #10 - EFFECTIVE MAY 13, 1997 - OPTICAL CHECK IMAGING

Amends IC 5-15-6-3 to provide as used in this section, "original records" includes the optical image of a check when: (1) the check is recorded, copied, or reproduced by an optical imaging process described in subsection (e); and (2) the drawer of the check receives an optical image of the check after the check is processed for payment.

Also amends section (e) to provide copies, recreations or reproductions made from an optical image of a public record described in this subsection shall be received as evidence in any court in which the original record could have been introduced if the recreations, copies, or reproductions are properly certified as to authenticity and accuracy by an official custodian of the records. Also provides original records may only be disposed of in accordance with IC 5-15-6-3(f).

Also amends section (f) to provide original records may be disposed of only with the approval of the commission according to guidelines established by the commission. However, the guidelines established by the commission concerning the disposal of financial records must be approved by the State Board of Accounts before the guidelines become effective.

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PL 51 - HOUSE ENROLLED ACT #1487 - EFFECTIVE VARIOUS DATES - PROPERTY TAX COLLECTION PROCEDURES

IC 6-1.1-2-4 is amended effective 1-1-98. Imposes liability on the owner of property for the property taxes on real or personal property that is held, possessed, controlled, or occupied by another person. Eliminates the responsibility of a person who holds, possess, controls or occupies but does not own real or personal property from paying property taxes on property, except for property subject to a lease or contract recorded with the recorder before January 1, 1998, that requires the holder possessor, controller, or occupier to pay property taxes. Requires that real property and any leasehold or contract interest in an improvement or appurtenance on the real property must be assessed and taxed as a single unit, except for property subject to memorandum of lease or contract recorded with the county recorder before January 1, 1998.

IC 6-1.1-5-5.5 is added as a new section to the Indiana Code and is effective 7-1-97. Requires an owner to show proof of payment of property taxes before transferring an interest in real property that consists of a parcel subdivided from a larger parcel or a parcel that is created from several existing parcels. Requires the county auditor rather than the county assessor to stamp deeds and other real property transfer instruments. Allows the county auditor to determine whether all taxes have been paid on a transfer after the transfer is recorded with the county recorder. Requires the owners to pay all property taxes on the transfer before the ownership may be changed in the assessment list.

IC 6-1.1-5-5.7 is added as a new section to the Indiana Code and is effective 7-1-97. A county recorder may record or accept for recording a deed or other instrument of conveyance that transfers an ownership interest in real property subject to section 5.5 of this chapter only if the county auditor has endorsed the deed or other instrument of transfer as required by section 5.5 of this chapter.

The failure of any deed or other instrument of conveyance to be endorsed in compliance with section 5.5 of this chapter does not affect the validity of the notice given by the recording of the deed or instrument.

IC 6-1.1-5-16 is added as a new section to the Indiana Code and is effective July 1, 1997. Allows an owner to request in writing that several contiguous parcels be combined into a single parcel for property tax purposes. Provides that contiguous parcels may be consolidated only to the extent that the parcels are in the same taxing district. Requires the consolidation of contiguous parcels when an improvement is located on or significantly affects the parcels.

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**PL 52 - HOUSE ENROLLED ACT #1536 - EFFECTIVE JULY 1, 1997 - CEMETERY
LAW REVISIONS**

IC 23-14-67 is added to the Indiana Code as a new chapter and authorizes the county board of commissioners to appoint a five (5) member cemetery commission. The commission may request a tax levy for the purpose of restoring and maintaining one or more cemeteries which are without funds or sources of funds; have suffered neglect and deterioration; may be the burial grounds for Indiana pioneer leaders or veterans of an American war, including the Revolutionary War; and were established before 1850. The cemetery commission must present an annual plan and budget and make an annual report to the board of county commissioners and the county council for approval.

PL 56 - HOUSE ENROLLED ACT #1539 - EFFECTIVE JULY 1, 1997 - PETITION REMONSTRANCE

Amends IC 6-1.1-20-3.1 to provide in item (5) each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the State Board of Accounts before the petition is filed with the county auditor under subdivision (6).

Also amends IC 6-1.1-20-3.2 to provide that the petitions for remonstrance must be verified in the manner prescribed by the State Board of Accounts. Also makes various other changes in the petition or remonstrance process.

**PL 57 - HOUSE ENROLLED ACT #1777 - EFFECTIVE JANUARY 1, 1998 -
HOMESTEAD CREDIT**

IC 6-1.1-20.9-2 is amended and provides that the Homestead Credit is raised from 4% to 10% for the years 1998 through 2001 and for the years 2002 and thereafter will be 4%.

**PL 58 - HOUSE ENROLLED ACT #1510 - EFFECTIVE JULY 1, 1997 - EMERGENCY PROPERTY TAX
SHORTFALL**

Adds IC 6-1.1-21-7 concerning a taxing unit receiving a loan to replace lost revenue as a result of an act of the United States Congress.

**PL 67 - SENATE ENROLLED ACT #234 - EFFECTIVE JULY 1, 1997 - CONVENTION, VISITOR, AND
TOURISM PROMOTION FUND**

Amends IC 6-9-18-4 and changes the title from the convention recreation, and visitor promotion fund to convention, visitor, and tourism promotion fund.

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PL 67 - SENATE ENROLLED ACT #234 - EFFECTIVE JULY 1, 1997 - CONVENTION, VISITOR, AND TOURISM PROMOTION FUND (Continued)

Amends IC 6-9-18-6 to list the types of expenditures which may be made from the convention, visitor, and tourism promotion fund.

Amends IC 6-9-18-5 to require the county executive to create a commission if the county adopts a hotel-motel tax. Gives makeup of the commission.

PL 69 - SENATE ENROLLED ACT #200 - EFFECTIVE APRIL 6 AND JULY 1, 1997 - HOWARD COUNTY HOTEL, MOTEL, TOURIST CAMP TAX

Amends IC 6-9-16 and increases the membership of the convention and visitor commission from 5 to 7 members. Gives the Mayor of the City of Kokomo one more appointment to the commission. Allows the Howard County Council to increase the tax to 5%.

PL 90 - HOUSE ENROLLED ACT #1406 - EFFECTIVE VARIOUS DATES - RIVERBOAT GAMBLING REVENUE

IC 8-18-8-5 is amended effective 5-8-97 to allow a county that receives tax revenue from riverboat admissions tax or riverboat wagering tax to make expenditures from those revenues for the maintenance of county highways.

IC 4-33-12-6 and IC 4-33-13-6 are both amended effective 7-1-97 to allow the riverboat tax revenue to be placed into the general fund or the riverboat fund established under IC 36-1-8-9, or both.

Effective 7-1-97, IC 36-1-8-9 is added to the Indiana code and states that each unit that receives tax revenue under IC 4-33-12-6, IC 4-33-13, or an agreement to share a city's or county's part of the tax revenue may establish a riverboat fund. Money in the fund may be used for any legal or corporate purpose of the unit.

The riverboat fund shall be administered by the unit's treasurer, and the expenses of administering the fund shall be paid from money in the fund. Money in the fund not currently needed to meet the obligations of the fund may be invested in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund. Money in the fund at the end of the particular fiscal year does not revert to the unit's general fund.

PL 137 - SENATE ENROLLED ACT #41 - EFFECTIVE JULY 1, 1997 - COUNTIES WITH SPECIAL BOAT PATROL NEEDS

IC 14-9-9 is added as a new chapter and provides for grants to certain counties to provide law enforcement services on lakes located within the counties.

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PL 170 - HOUSE ENROLLED ACT #1202 - EFFECTIVE JULY 1, 1997 - COUNTY CEMETERY COMMISSION

Adds IC 23-14-26-3.5 as a new section to the Indiana Code and requires the County Cemetery Commission to file an annual report. Also sets forth the requirements of the annual report.

PL 199 - HOUSE ENROLLED ACT #1092 - EFFECTIVE JULY 1, 1997 - MEDIATION IN DISSOLUTION OF MARRIAGE CASES

Adds IC 31-15-9.4, IC 31-16-6.4 and IC 31-17-2.4 as new chapters to the Indiana Code and concerns the court ordering dissolution of marriage cases to mediation.

PL 204 - HOUSE ENROLLED ACT #1057 - EFFECTIVE JULY 1, 1997 - JURY FEES

Amends IC 33-19-1-4 to raise the fees jury members are entitled to receive from seven dollars and fifty cents (\$7.50) to fifteen dollars (\$15) for each day the juror is in actual attendance in court until the jury is impaneled and from seventeen dollars and fifty cents (\$17.50) to forty dollars (\$40) for each day the juror is in actual attendance after impaneling and until the jury is discharged. Also, the limitation on the supplemental fee has been removed. This used to be ten dollars (\$10) each day in addition to the above fee but is now whatever is established by an ordinance adopted by the county fiscal body.

Amends IC 33-19-1-4 to increase the deferral program initial users fee maximum charge from fifty dollars (\$50) to fifty-two dollars (\$52).

Adds IC 33-19-6-17 as a new section and imposes a jury fee of two dollars (\$2) which the clerk shall collect in each action in which a defendant is found to have committed a crime, an infraction, or an ordinance violation. This fee shall be deposited into the county user fee fund.

Amend IC 33-19-8-5 and adds the two dollar (\$2) jury fee to the list of fees collect by the clerk which comprise the county user fee fund. Also adds that all of the jury fee and two dollars (\$2) of every deferral program fee collected under IC 33-19-5-2(e) shall be deposited by the county auditor in the jury pay fund under IC 33-19-10.

Adds IC 33-19-8-8 as a new section and applies to jury fees collected under IC 33-19-6-17 and states that whenever a clerk certifies to the county fiscal body the amount of fees collected, the county fiscal body shall direct the county auditor to transfer that amount to the jury pay fund.

IC 33-19-10 is added as new chapter and establishes a jury pay fund for each county for the purpose of supplementing jury fees.

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PL 205 - SENATE ENROLLED ACT #115 - EFFECTIVE JULY 1, 1997 - SMALL CLAIMS CASES

Amends IC 33-19-5-5 - Raises the court costs for small claims actions in all counties to \$35.
COURT COSTS - NONCODE - Appropriates moneys from the State general fund to each county to make up for shortfall under Public Law 216-1996.

PL 222 - HOUSE ENROLLED ACT #1468 - EFFECTIVE JULY 1, 1997 - LITIGATION EXPENSES

IC 36-2-5-5 is amended and requires that estimated litigation expenses be listed in an itemized budget estimate for county officers and townships assessors.

PL 223 - HOUSE ENROLLED ACT #1021 - EFFECTIVE JULY 1, 1997 - DRAINAGE BOARD PER DIEM

Amends IC 36-2-7-13 and removes the thirty-five dollars (\$35) a day per diem a member of the county executive was entitled to receive for attendance at a meeting of a county drainage board. This was removed because it conflicted with IC 36-9-27-1.

PL 233 - SENATE ENROLLED ACT #396 - EFFECTIVE JULY 1, 1997 - RETIREMENT PLANS FOR EMPLOYEE BENEFICIARIES

IC 36-8-10-12.1 is added to the Indiana Code as a new section and establishes amount of employee beneficiary pensions if the county has adopted an ordinance.

PL 236 - HOUSE ENROLLED ACT #1117 - EFFECTIVE JULY 1, 1997 - LIENS FOR UNPAID SEWER BILLS

Amends IC 36-9-23-33 and provides for a listing of delinquent sewage fees to be made four (4) times a calendar year rather than two (2) times. Also allows the governing board of a city or town to write off a fee or penalty under this section which is less than forty dollars (\$40).

PL 237 - HOUSE ENROLLED ACT #1711 - EFFECTIVE JULY 1, 1997 - DELINQUENT SEWER FEES

IC 36-9-25-11.2 is added to the Indiana Code as a new section and states that if a fee established under section 11 of this chapter is not paid within thirty (30) days after it is due, a copy of any notice of delinquency sent to a delinquent user who is a tenant must be sent to the owner of the property occupied by the tenant at the latest address of the owner as shown on the property tax records of the county in which the property is located.

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**PL 238 - HOUSE ENROLLED ACT #1434 - EFFECTIVE JULY 1, 1997 - PARK AND RECREATION
BOARDS - SALARIES OF MEMBERS**

Amends IC 36-10-3-9 and removes the \$300 limit on board member salaries. Allows a city or town fiscal body to set park and recreation board member salaries at any amount. Further provides that a city or town fiscal body can approve per diems to be paid to park and recreation board members for attending meetings.